

Tallulah, Louisiana

Tallulah – Madison Parish Community Profile

Tallulah is located in Madison Parish in northeast Louisiana in a region called the Mississippi River Delta.

Although Madison Parish is steeped in agrarian history and agriculture continues to be important, the non-farming private sector economy of Madison Parish is driven by manufacturing, retail and wholesale trade, and services. In 1998 there were an estimated 4,263 full-time and part-time employees in the parish, with approximately 44 percent in services, 24 percent in retail, and 12 percent in wholesale trade. Manufacturing employment accounts for only 7 percent of total employees. The comparison to Louisiana is shown in the following table:

Employees	Madison Parish	Louisiana
Services	44%	36%
Retail Trade	24%	22%
Wh'sle Trade	12%	6%
Manuf'ing	7%	12%

There were 230 establishments in Madison Parish in 1997, with 37 percent in services, 26 percent in retail trade, 8 percent in wholesale trade, and 4% in manufacturing.

Estab'ments	Madison Parish	Louisiana
Services	37%	37%
Retail Trade	26%	24%
Wh'sle Trade	8%	8%
Manuf'ing	4%	4%

None of the establishments employed more than 500 persons, and 87 percent of the establishments employed fewer than 20 persons.

In 1998, the population of Madison Parish was estimated at 12,934, with about 33 percent of the population employed full-time or part-time. The population decreased by about 2 percent between 1988 and 1998. In 1999, the population was estimated to be 37 percent white and 63 percent black. The average unemployment rate was 8.3 percent (compared to 5.1 percent in the state).

Educational attainment in Richland Parish, for persons 25 years and over (in 1990), was 29 percent for high school graduates (compared to 40 percent for the state) and 5 percent for college graduates (compared to 9 percent for the state).

Per capita income for Madison Parish was \$8,387 in 1988 (\$13,113 for the state) and \$14,480 in 1998 (\$22,206 for the state).

The Louisiana Workshop

The TEAM Delta workshop held in West Monroe, Louisiana, on June 8, 2000, offered information about how to create more local wealth and higher-paying jobs and about the new technology-based economy. Participants identified issues facing Madison, Ouachita, and Richland parishes:

- Education & training;
- Financing;
- Cooperation, community spirit, and vision; and
- Loss of population.

Participants in the workshop also identified obstacles and opportunities.

Obstacles

Major obstacles appear to be:

- Workforce (lack of technically capable workforce, training opportunities and work ethic, and the out-migration of trained/skilled employees

- Lack of access to financial capital
- Social capital (lack of social contacts, cooperation, and spirit)
- Vision (thinking outside the box, positive attitude, and not being resistant to change.

Opportunities

Major opportunities include:

- **Workforce** (opportunity to train & more fully utilize existing people & better utilize area technical colleges & university)
- **Quality of life** built around a good location, small town atmosphere, and emerging community leadership;
- **Available resources** (including transportation infrastructure, utilities, natural resources); and
- **New opportunities**, including Internet marketing that provides the opportunity to compete globally, value-added exporting, improvements in education, and technology

Workshop Evaluation

The written evaluation of the workshop showed that of the topics covered in the workshop, those ranked highly useful were:

- Value added;
- The role of technology; and
- Social capital.

The topics rated least useful were clusters & networks and traded sectors.

The evaluation also sought to determine the extent to which attendees had been involved in planning and plan implementation in their communities. Results showed that there has been very little action planning by seminar participants. By far the most planning was in the area of K-12 education, followed by tech-focused training, and focused recruitment. Research parks and angel investor networks have received the least attention.

The Community Technology Assessment

The Tallulah Community Technology Assessment was held September 14, 2000. Thirteen community residents participated. The session began with introductions followed by the TEAM Delta facilitator asking three questions concerning their attitudes about different kinds of investments.

The first question asked participants to assume that they had \$100,000 to spend on the following three things: (a) recruiting businesses to the community; (b) assisting existing business to expand; and (c) helping new, start-up businesses. The \$100,000 could be divided among the three things in any proportion desired. The Tallulah participants would invest 40 percent in existing businesses, 34 percent in new businesses, and 25 percent for recruiting.

The second question asked participants to assume that they had \$100,000 to spend on the following three things: (a) education, training, and human resource development; (b) technology transfer and development; and (c) capital investments. The \$100,000 could be divided among the three things in any proportion desired. The participants would invest roughly equal amounts in each of the three areas, with 41 percent in workforce & education, 33 percent in capital investment, and 26 percent in technology.

The third question was whether they agreed or disagreed with the statement that the Internet is changing everything. Eighty percent of the participants indicated that the Internet is "changing the speed and opportunity of business," "increases competition by opening markets to anyone with access," and "has created unlimited opportunity for rural and isolated areas of the world." Other participants noted that they are using the Internet more and more every day to gather information, analyze markets, and conduct business.

The two participants that did not agree that the Internet is changing everything did agree that the Internet is affecting many things. They believe that "people must still be motivated to help themselves to what our country

offers. The Internet can facilitate this but cannot alone motivate for positive change."

These warm-up questions were followed by discussion and compiling four lists of technology resources.

Discussion about key firms, those adding value, exporting, and paying higher wages, led to a long list, some which were: API, Sparta Manufacturing, Avondale, Complex Chemical, Holly Manufacturing, Bunge Corp., Farmers Grain, Terra Norris Seed, and Ag Aero.

The list of business partners that contribute to the success of key firms included: banks, the hospital, utilities (Entergy, BellSouth, LA Gas), Rebel Welding, gas companies (Ozark, O'Neal), Bayou Internet, Louisiana Internet, local rental companies, and Western Auto. Macon Ridge Economic Development Region is also serving as a support organization for some area companies in the area of data management and web hosting services.

The discussion quickly became focused on telecom infrastructure issues. Several companies participating in the discussion had different experiences trying to obtain faster Internet connections. Some have ISDN lines, while others interested in those lines had been quoted much higher prices for what seemed to be similar service. The discussion focused on/ended with a discussion of the need to inventory existing company users in the area, their current needs, and projected needs – in order to establish demand. This information would provide a basis for investigating potential solutions—ways the community can try to solve these Internet access problems.

A second hard infrastructure concern is the Delta Southern rail spur from the Kansas City Southern Railroad line to several companies in the area of the port. At least one of the companies is experiencing serious problems as a result of rail deterioration on that spur, deterioration that could threaten a substantial portion of the company's business. Economic Development Administration (EDA) money to replace the line has been appropriated, but State match money has not yet

been made available, holding up work on the line. The company put up a substantial amount of money to make the line usable last year (later partially reimbursed) and may be forced to do the same again soon.

Workforce remains an issue for most companies. Tallulah was the only Louisiana community that expressed a strong perception of partnership between businesses and an educational entity – in this case the Louisiana Technical College – Tallulah. Clearly, LTC-T tries to be responsive to companies' needs; however, companies still find it difficult to find trained/skilled workers who show up for work consistently. Another important soft infrastructure entity in the community is the Community Development Corporation (CDC), which is perceived as important to the community.

Another issue discussed was business financing. Some companies are concerned local banks do not understand their businesses and there are few financing options available to them. They report being approached by out of state communities that promise that state-guaranteed financing is available if they will move.

Implementation Opportunities

Participants identified a number of areas for implementation or more detailed planning, including:

- Rail spur renovation from the port to the Kansas City Southern Railroad line. State match is needed immediately to move this project along.
- Area companies need faster, less expensive access to the Internet. There is a need to identify the telecom needs, uses, and desires of area businesses, so aggregate demand can be documented, and a plan for improving service formulated with an available service provider.
- Opportunities for improving business financing should be investigated.

Data Sources: Bureau of Economic Analysis, Bureau of the Census, & the Louisiana Department of Labor

